

Iowa Medicaid Enterprise 'Endeavors Update'

A Communications Effort to Strengthen Partnerships

Terry E. Branstad, Governor Kim Reynolds, Lt. Governor

Iowa Department of Human Services Charles M. Palmer, Director Jennifer Vermeer, Medicaid Director

April 2012 Highlights:

- "Dual Eligibles" Proposal
- Annual Member Survey
- · Hospital Readmission Data
- MAAC Executive Committee
- Medicaid Projections

Iowa Medicaid Director's Column



Welcome to the April edition of the lowa Medicaid Enterprise Newsletter. Last month we were riveted, along with the rest of the country, by the oral arguments before the US Supreme Court on the Patient Protection and Affordable Care Act. The ultimate decision of the Court will have a dramatic impact on the work we do with Medicaid and the people we serve. Because of the uncertainty of the path ahead we continue to move forward to

implement current law while awaiting the decision. The uncertainty requires us to plan for a variety of outcomes. We look forward to a decision from the Court which, some have speculated, may come as early as June.

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"Dual Eligibles" Proposal: New Strategy Aimed at Integrating Care and Improving Health

The Department of Human Services is currently seeking approval from the Centers for Medicare and Medicaid Services (CMS) to move forward with implementation of a comprehensive approach aimed at integrating care and improving patient health for dually-eligible Medicaid and Medicare members. The proposal focuses on care coordination, the reduction of avoidable hospital readmissions and transitions from an inpatient stay to other settings. Medicaid will use previously unavailable data to unlock details which will let us target interventions where needed. The whole person, care coordination envisioned in the proposal has the potential to improve care for nearly 66,000 disabled and elderly, vulnerable lowans while realizing savings in the system. The proposal utilizes current systems and builds upon current assets and delivery systems to create this new opportunity. According to Medicaid Director Jennifer Vermeer, "dual eligibles represent over \$1 billion in state and federal Medicaid spending. It is a high risk population that will benefit from greater care coordination and integration." Review the proposal at the following link and share your comments: http://www.ime.state.ia.us/

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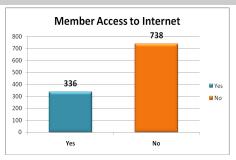


"We are pleased at the high overall satisfaction level when members contact the call center and we look forward to seeking solutions to the challenges highlighted in the annual member survey."

Shelley Wagner Member Services Unit Manager

2011 Annual Member Services Survey Results: Only 31% Have Access to Internet

The annual Member Services survey is a tool developed to better understand program awareness among lowa Medicaid members and measure member satisfaction with services provided by the IME Member Services call center. The 2011 survey achieved a return rate of 24.48, percent up significantly from the 2010 response rate of 11 percent.

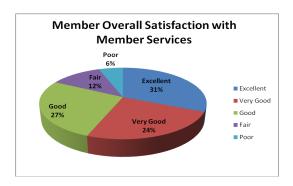


Highlights:

- 66 percent of respondents indicated they are aware they can call the Member Services call center with questions about Iowa Medicaid
- However, most respondents, 80 percent, had not called the call center in the past six months
- Respondents report a high satisfaction rate, 82 percent said good to excellent, when they do contact the call center
- 66 percent said they have a good to excellent understanding of lowa Medicaid programs and services
- Only 31 percent of respondents said they knew about two relatively new programs, initiated in July 2010, the disease management and maternity management programs (See related story on next page)
- Only 31 percent of respondents have access to the internet and 84 percent never used the DHS website to gain information about Medicaid. Almost all of the respondents preferred to get information from the call center rather than the website
- 80 percent of the respondents somewhat to strongly agreed that it is easy to get in to see a doctor
- Respondents report that the biggest difficulties to seeing a doctor are transportation and appointment wait time is often too long

Conclusions:

User surveys can highlight challenges and present opportunities. The 2011 member survey is no different. Iowa Medicaid is already busy taking concrete steps to address some of the concerns. The DHS website is undergoing a major clean-up in preparation for a redesign intended to better serve members and providers. And the Health Homes initiatives will give Medicaid members more personalized care through care coordination and more access to services. The 33 percent drop in reported internet access over the 2010 may require further exploration.



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Learn More: Disease Management & Maternity Management Programs for Members

In every population, health care costs are driven by a small segment of individuals. The lowa Medicaid population is no exception as the top 5 percent of the highest cost and highest risk members represent 48 percent of all acute care costs. These lowa Medicaid members account for 90 percent of all hospital readmissions within 30 days of being discharged, 51 percent of all preventable hospitalizations, 75 percent of all inpatient costs, and 31 percent have a chronic disease. The over-arching characteristic of the top 5 percent population is uncoordinated care. Uncoordinated care includes over utilization of services in high cost settings such as using emergency room for non-emergent reasons, under-utilization of primary and preventive care, and the absence of a medical home or primary care provider. The top 5 percent include members with chronic diseases as well as high risk maternity members.

While there are currently no cures for chronic conditions such as asthma, diabetes, and heart disease, the Member Services Clinical Care Management Team is available to assist Medicaid providers in coordinating resources for members and strengthening the quality of care delivered. The clinical staff is comprised of registered nurses (Health Coaches), the medical director, the team of health coordinators, and the health analyst reporting team. The clinical team identifies individuals with medically complex chronic conditions and high risk maternity members who may be impacted by proactive care coordination. Care coordination aims to improve quality of care as well as reduce costly complications that can occur with chronic disease.

Health coaches engage members by assessing their level of readiness to participate in their healthcare and by linking members to a primary care physician or medical home if the member has none. Once a primary care physician is established, the health coach works to support the treating practitioner by reinforcing treatment plans, arranging transportation to appointments, finding available resources for members, and providing the member with self-care education as well as testing and appointment reminders.

Our goal is to support the provider's plan of care and to coordinate services so Medicaid members can achieve the best possible outcomes. If you have any questions or wish to refer a member to the Maternity Management or Disease Management Program, or receive program brochures or additional information, please contact the lowa Medicaid Member Services at:

1-515-256-4606 (in the Des Moines area)
1-800-338-8366 (outside of the Des Moines area)
Referrals may also be faxed to the IME Member Services Clinical Team at 515-256-4626
Monday through Friday from 8:00 a.m. to 5:00 p.m.



"The member survey shows the need for increased outreach about these two programs that focus on some of our highest risk members. Please contact us if you need more information."

Kelly Williams, Clinical Manager

The Member Services Unit is currently seeking a **Medical Director** for the Disease Management, Maternity Management and Lock-In Programs. Any interested physician should contact Shelley Wagner at: 1.515.974.3085 for further information.

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Hospital Readmissions Data from the Medicaid Medical Directors Learning Network

lowa Medicaid Medical Director, Dr. Jason Kessler, serves on the Medicaid Medical Directors Learning Network (MMDLN). The Network is funded by the Agency for Health Care Research and Quality. Since 2005, the Network has served as an integrated national resource to advance the health of Medicaid patients across the country through evidenced-based medicine, measurement and improvement of health care quality, and the redesign of health care delivery systems. This first part in a three-part series of articles focuses on new research regarding 30-day hospital readmission rates in lowa as compared to the average of the 16 states participating in the research. Part one is an overview of the research. Future articles in the series will include readmission by age and population and leading diagnoses and future directions.

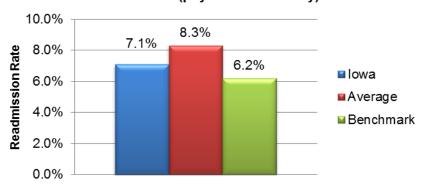
"Data-driven research like this is important to help Medicaid develop strategies so that we can serve members and make the best use of limited resources."

Medicaid Medical

Dr. Jason Kessler

Director

30-day readmission rate: Comparison of lowa to average of 16 States and benchmark (physical health only)



If you were released from the hospital, you wouldn't expect to be back within 30 days for the same problem. This may occur because the condition wasn't managed properly, discharge was too early, or post-hospital care was not adequate.

Iowa Medicaid is participating in a 16-state study of patients who were readmitted to the hospital within 30 days. The study is being conducted by the Medicaid Medical Director's Learning Network (MMDLN), and the Agency for Healthcare Research and Quality (AHRQ).

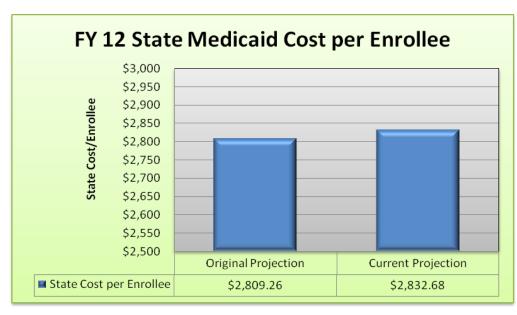
The initial data is for physical health, excluding behavioral health, for calendar year 2009. Data is currently being collected for 2010.



In 2009, 4,305 acute hospitalizations out of 60,326 for lowa Medicaid members were within 30 days of a previous admission, for an overall 30-day readmission rate of 7.1 percent. This compares to the 16-state average for Medicaid programs of 8.3 percent and the benchmark rate of 6.2 percent (the average of the two lowest states' 30-day readmission rates). Medicaid payments in lowa for hospital readmissions within 30 days amounted to \$29,147,822 or 10 percent of total Medicaid payments for acute hospital care. This compared to the 16-state average of 14 percent.

You can link to the report on the IME Homepage at: http://www.ime.state.ia.us/index.html April 2012 Page 5

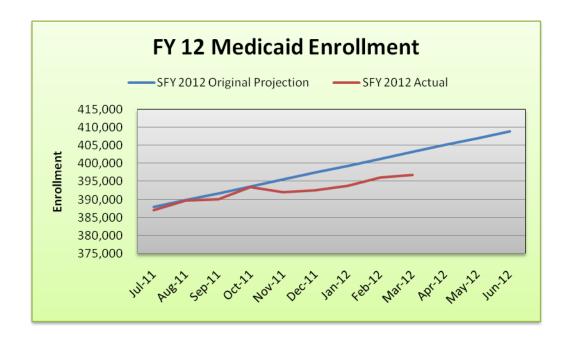
Medicaid Projections: Key Statistics Cost Per Enrollee and Enrollment Growth



The projected surplus for SFY 2012 was reduced from \$9 million to \$2.5 million due to a \$6.5 million de-appropriation signed into law this legislative session.

The Medicaid forecasting group met in March and made no changes to the SFY 2012 or SFY 2013 midpoint Medicaid expenditure estimates. Although the SFY 2012 spending estimate remained unchanged, the projected surplus estimate was reduced from \$9 million to \$2.5 million. This was due to a \$6.5 million appropriation reduction signed into law during the current legislative session. The estimated need in SFY 2013 remained at \$95 million. The SFY 2013 estimate does not take into consideration any pending legislative action.

These charts summarize two key statistics for SFY 2012: the average state cost per enrollee and total Medicaid enrollment. Per enrollee costs are trending just slightly above what was originally projected, but this has been offset by slower enrollment growth.



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MAAC Update & Save the Date

Next MAAC Meeting:

May 16th at 1:00

The Executive Committee of the Medical Assistance Advisory Council (MAAC) met on March 21st in the Lucas Building. The meeting was chaired by Dr. Miller-Meeks. The attendees heard presentations about adding a Health Maintenance Organization (HMO) as a coverage plan, updates on Health Homes and IowaCare expansion efforts, PASRR and PERM. (See related stories). Anita Smith, Bureau Chief, briefly highlighted Medicaid cost containment strategies under consideration by the Iowa Legislature. Dr. Carlyle, former Chair of the Legislative Health Care Coverage Commission, expressed concern about one of the proposals and its impact on patients. The next meeting of the MAAC is the full committee and is scheduled for Wednesday, May 16th at 1:00. The meeting will be held in the Iowa Historical Building, 3rd Floor West, Classrooms A & B, 600 E. Locust, Des Moines, Iowa. Please watch the MAAC webpage for the updated meeting agenda. Hope to see you there.



"There are benefits to members. For example, HMOs make considerable effort toward getting members to their providers for routine and preventive care which helps keep their enrollees healthy."

Dennis Janssen Iowa Medicaid Clinical Director

Iowa Medicaid Adds HMO as Coverage Plan in Two Counties (MAAC related story)

The lowa Medicaid program has supported a medical managed care program for over 20 years. The MediPASS program started as a pilot in seven counties in July of 1990 and then expanded statewide in 1993. At the same time, lowa has allowed Health Maintenance Organizations (HMOs) to operate in counties where the HMO could maintain a provider panel to meet the needs of the enrolled Medicaid population. Participation in medical managed care is mandatory in most counties under lowa's 1932(a) state plan amendment for those members in certain aid types. As of March 2012, Meridian Health Plan of lowa has been offered as an option to MediPASS for those members in Muscatine County who are required to participate in medical managed care. This HMO will be implemented as an option in Clinton County as of May 1. HMO enrollees do not have copayments for covered services and may take advantage of support programs offered by the HMO. Meridian Health Plan of lowa is certified by the lowa Insurance Division. CMS has approved this addition to the state plan and the contract and rates paid to the HMO. The HMO must adhere to all of the federal requirements found in 42 CFR 438 and elsewhere.

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PERM Update (MAAC related story)

Federal law directs federal agencies to annually review programs they administer and identify those that may be susceptible to improper payments, to estimate the amount of the improper payments and to submit these estimates to Congress. The Office of Management and Budget (OMB) has identified Medicaid and CHIP as programs to be reviewed. The Centers for Medicare and Medicaid Services (CMS) developed the Payment Error Rate Measurement (PERM) to comply with the federal requirements. Iowa Medicaid participates in the PERM effort every three years. At the March meeting Patti Ernst-Becker, Program Integrity Director, reported that the 2011 review is "ahead of schedule" and "going well". As of March 20, 2012, the PERM had completed reviews of 654 claims in Medicaid showing only one data processing error and nine medical review claim errors. The review of 798 CHIP claims is more than half way complete and has revealed no data processing errors and only 5 medical review claim errors at this time. Errors include items such as insufficient document and data and coding errors. Ernst-Becker is confident that the review will be completed, errors resolved and reports made to Congress in a timely manner. It is important to note that error rate is not a "fraud rate" but simply a measurement of payments that did not meet regulatory requirements. Iowa Medicaid processes approximately 20 million claims each year.



"The 2011 PERM review is ahead of schedule."

Patti Ernst-Becker
Program Integrity
Director

PASRR Update (MAAC related story)

Pre-admission Screening and Resident Review (PASRR) is a federal regulation that applies to all applicants to Medicaid-certified nursing facilities regardless of payer. The purpose of PASRR is that all applicants receive screening for mental illness and/or intellectual disability and related conditions, and then ensure that they receive the specialized services they need. There are two levels of screening; Level I is a brief screening and Level II is a full evaluation. At the March MAAC meeting Don Gookin, Long Term Care Program Manager, updated the group on PASRR activities. As of January 9th, a web-based Level I screening tool is available 24/7 on the web. The monthly volumes for Level I screenings were 1,530 in January and 1,783 in February. Comparatively, monthly volumes for Level II screenings were 131 in January and 118 in February.



Don Gookin
Long Term Care
Program Manager

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Iowa Medicaid Attends Regional Tribal Health Training

Representatives from Iowa Medicaid, along with representatives from the Division of Insurance, attended and presented at the CMS Region 7 Training for I/T/Us at the Meskwaki Settlement in Tama, Iowa. I/T/Us stands for Indian Health Service, Tribes and Tribal organizations, and urban Indian health organizations (collectively referred to as "I/T/U"). Topics were: National CMS Legislative Overviews, Tribal Technical Advisory Group Updates (TTAG), Medicaid Program Overviews, Social Security 101, Veterans Administration 101, Medicare 101, etc., Health Insurance Exchange Overview, the Medicare & Medicaid Electronic Health Record (EHR) Incentive Program and Iowa Medicaid & hawk-i. Tribal representatives from all four of the enrolled Medicaid providers within lowa were in attendance. These included the following: Meskwaki, Ponca, Santee Sioux and Winnebago Tribes. Tribal representatives use these tribal consultations as an outreach and learning tool to get updates from states within Region 7 on what is happening with Medicaid and Medicare, along with ICD-10, and the Affordable Care Act (ACA). This time is also used as one-on-one meeting between tribes and their State's Indian Health Services Liaison. Alisa Horn is Iowa's liaison.

If you have any questions regarding tribal policies, Alisa may be reached at 515-256-4647 or ahorn@dhs.state.ia.us.





2012 Legislative Updates

At the time of this writing, legislative activity outpaces this publication. Additional information will be provided in future newsletters.

For now, you can link to the DHS Budget, SF 2336, and Mental Health Redesign, SF 2315, on the lowa General Assembly website at the lowa General Assembly Website: https://www.legis.iowa.gov/index.aspx

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Regular Feature: Highlight Informational Letters

The lowa Medicaid Enterprise publishes provider bulletins, also known as informational letters, to clarify existing policy details or explain new policy. Bulletins are posted on a website. The IME Newsletter will highlight informational letters released in the preceding month. Topics of March 2012 informational letters included:

- Important 5010 and ICD-10 HIPAA Transition Information (IL#1115)
- 2012 Civil Money Penalty Quality Improvement Initiative Grant (IL#1114)
- Update on the Atypical Code Conversion Project (IL#1113)
- Adjustment and Recoupment request Form Changes (IL#1111)
- Iowa Medicaid Pharmacy Program Changes (IL #1110)
- Preadmission Screening and Resident Reviews (IL#1109)
- Report Present on Admission (IL#1108)
- Iowa Medicaid Maternity Management Program (IL#1107)
- Iowa Medicaid Disease Management Healthy Iowans Initiative (IL#1106)
- Iowa Family Planning Network Coverage Issues (IL#1105)
- Medicare Crossover Form Requirement (IL#1104)

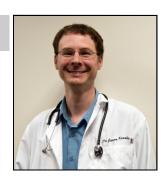
View the complete list of Informational Letters by year at:

http://www.ime.state.ia.us/Providers/Bulletins.html

Medical Director's Minute: Program Integrity

Dr. Jason Kessler writes a monthly column on topics of interest. April's Medical Minute explains the work of the Program Integrity unit's efforts including Medical Value Management.

Link to the column at: http://www.ime.state.ia.us/docs/MDM 2012-04.pdf



Health Homes Now Accepting Provider Enrollment Applications

lowa Medicaid's newest program, Health Homes, is now accepting provider enrollment applications as of April 1st. We are actively engaging provider groups interested in enrolling.

If you have questions, please contact Marni Bussell at mbussell@dhs.state.ia.us

For additional background, please visit the Medicaid Director's "Health Home" presentation featured in earlier newsletters:

http://www.ime.state.ia.us/docs/ACA 20120125 BuildingAHealthHomeForlowaMedicaidMembers.pdf



Iowa Medicaid programs serve Iowa's most vulnerable population, including children, the disabled and the elderly.

We're on the web! http://www.ime.state.ia.us/

Comments, Questions or Unsubscribe Please email: IMENewsletter@dhs.state.ia.us The Iowa Medicaid Enterprise (IME) is an endeavor, started in 2005, to unite State staff with "best of breed" contractors into a performance-based model for administration of the Medicaid program.

The Medicaid program is funded by State and Federal governments with a total budget of approximately \$4 billion. The \$4 billion funds payments for medical claims to over 38,000 health care providers statewide.

Iowa Medicaid is the second largest health care payer in Iowa. The program is expected to serve over 698,000 Iowans, or 23%, of the population in State Fiscal Year 2013.

Iowa Medicaid Upcoming Events:

May 16th Medical Assistance Advisory Council

http://www.ime.state.ia.us/MAAC/index.html

May 21st hawk-i Board Meeting

http://hawk-i.org/en_US/board.html

This update is provided in the spirit of information and education.

The Department shall not be liable for any damages that may result from errors or omissions in information distributed in this update.